(2) Copies of the forms of application for permission to appear by private study can be obtained from the Secretary, Local Examinations Boards, on requisitions which should reach this office before the 1st July.

(3) This rule will take effect from the Middle School Examination of 1931 and shall be in operation for three years thereafter, as an experimental measure.

N. RAMA RAO,
Secretary to Government,
Development Departments.

Reviews the Report on the Working of the Co-operative Department for the year 1928-29.

READ—

Letter No. 2575, dated 16th November 1929, from the Registrar of Co-operative Societies submitting the report on the working of Co-operative Societies in Mysore, for the year ending 30th June 1929.

ORDER No. D. 9928-38—C. S. 69-29-3, DATED 4TH MARCH 1930.

Recorded.

2. *Administration and Tours.*—Mr. K. H. Ramayya continued to be in charge of the Department throughout the year except for a brief period between 24th September and 11th October 1928, when he went on deputation to attend the tenth All India Conference of Registrars of Co-operative Societies and Mr. K. Subba Rao, Assistant Registrar, Bangalore Division, was appointed to be in charge of the current duties of the Registrar.

3. The post of Deputy Registrar of Co-operative Societies was created for work connected with the organisation of a Land Mortgage Bank, Mr. M. S. Ramachandra Rao who was appointed Deputy Registrar, entered upon his duties on 1st May 1929.

4. There was no change in the charges or the personnel of Assistant Registrars during the year. The subordinate services of the Department were reorganised and the inspectorate and the clerical staff strengthened. In addition to the salaried staff, there were 5 honorary organisers and 24 supervisors as against 7 and 23 respectively during the previous year.

5. The Registrar toured for 141 days and inspected 131 Societies. The number of days spent by the Assistant Registrars on tour ranged from 145 to 164 and the number of Societies inspected by them from 126 to 173. The percentage of Societies inspected to the total number of Societies in the charge of each Assistant Registrar is approximately as follows:—

Assistant Registrar, Bangalore Division	..	25 per cent.
Assistant Registrar, Mysore Division	..	33 ,,
Assistant Registrar, Tumkur Division	..	30 ,,
Assistant Registrar, Shimoga Division	..	34 ,,

The inspections by the Assistant Registrar of Bangalore were inadequate. As regards Inspectors, it is stated that they toured for an average of 206 days and inspected almost all the Societies in their respective circles. The Government desire that in future reports information may be furnished on the following points in respect of the touring and inspections by all the Officers of the Departments:—

(1) The number of Societies inspected.
(2) The numbers respectively of road side and interior Societies, and
(3) The number of Societies not inspected during the year.

Government wish to stress the importance of the systematic inspection of Societies especially of those in out of the way places by the higher officers.

6. *General.*—The progress made during the year in all directions was fairly satisfactory. It was most notable in the Districts of Mysore, Shimoga and Kadur and least in Kolar and Chitaldrug. Fairly good progress was made in the Malnad. The number of Co-operative Societies of all kinds rose from 1,866 last year to 1,962 at the

end of the year under review. While 150 Societies were registered during the year, the registration of 53 was cancelled and one House-building Society was amalgamated with a Co-operative Credit Society at the same place. The membership of all these institutions rose from 1,07,223 to 1,16,586, the paid up share capital from Rs. 39,35,712 to Rs. 44,35,474 and the working capital from Rs. 1,31,03,223 to Rs. 1,52,37,208. The average working capital for a member was Rs. 130·69 as against 122·2 in the year previous. The total turnover of all the institutions amounted to Rs. 5,13,24,820 as against 4,30,04,931 in 1927-28, the net profits realised during the year being Rs. 5,51,972 as against Rs. 4,87,674 in the previous year. The Reserve Funds also increased from Rs. 18,30,493 to Rs. 19,93,250 towards which the Central Societies contributed Rs. 2,40,779 the Non-Agricultural Societies Rs. 10,33,787 and Agricultural Societies Rs. 7,18,884. The Reserve Funds constitute 45 per cent of the paid up share capital which is an indication of the stability of the Societies in general. The total amount of deposits held by the Societies at the end of the year was Rs. 67,88,967 resulting in an average deposit per member of Rs. 58 as against Rs. 48 in the previous year. Out of the above amount, so large a sum of Rs. 92,61,307 represents new deposits during the year as against Rs. 59,78,545 in the previous year testifying to the confidence of the public in the Co-operative movement. An analysis of the Working Capital of all Societies put together shows that 29 per cent was contributed from share capital, 44 per cent from deposits, 13·7 per cent from Reserve and other funds and the rest from loans from Government and Central Institutions.

7. In reviewing the report for the previous year, Government noted with concern the large proportion of overdue loans to the total outstanding, and emphasized the importance of enforcing punctuality if Co-operation were not to suffer in a very essential part of its educative mission. They regret to find that this note of warning does not seem to have been effectual, and that the position has deteriorated. The total outstandings at the beginning of the year 1928-29 amounted to Rs. 24,24,064, the total demand for the year was Rs. 87,73,118 and the total collections Rs. 59,36,342 leaving a balance of Rs. 28,36,766 to be collected during the ensuing year. In the case of Agricultural Societies, the overdues amounted to as much as 51·8 per cent of the demand in non-agricultural societies to 23·2 per cent and in Central Societies to 45·9 per cent. This is a situation which requires immediate and serious attention on the part of the Department. It is probable that a stricter scrutiny in the grant of loans, especially in regard to the real objects for which they are sought, would go a long way to mitigate the evil. For instance, it is seen from the statement of loans issued, that a sum of nearly Rs. 10½ lakhs was borrowed by members of Societies for non-productive purposes such as marriages, etc., and possibly some part of the amount shown as lent for productive purposes was also used for non-productive purposes. Government would be glad to have a special para in the next report of the Department to indicate the attention that has been bestowed to this important problem, and improvement that has been achieved.

8. It is gratifying to learn that non-credit Agricultural Co-operation received a further impetus during the year. In addition to the 49 purely supply societies, as many as 318 rural credit societies undertook the purchase and sale of Agricultural implements, manures and seeds and effected sales to the extent of Rs. 62,873, many of them having been financed by the Apex Bank. It is further reported that many important Taluk Headquarters Societies are anxious to relieve the Agricultural Department entirely of their sales work in their respective Taluks, the Anekal and Goribidnur Societies having already done so. The Cardamom Growers' Societies at Achanahalli and Mudigere, also made rapid progress, the Apex Bank having granted loans and cash credits to them to the extent of Rs. 60,000 *i.e.*, almost doubling the previous year's figure. Further, it is interesting to read that the scheme of "Produce or Crop loans" intended to enable the Agriculturist to wait for a favourable market for his produce and started as an experiment in the Ramohalli Society was extended to four more Societies during the year under Review. Government trust that further progress will be made in this direction during the current year.

9. House Building, Stores and Depressed Class Co-operative Societies also developed greatly during the period under report; and a special feature was the formation of Societies for students which is a step of great educative value. A few thrift Societies for women were also started. The working of these Societies will be watched with interest. Government are glad to see that the co-operation of non-officials is being

enlisted by the opening of branches of the Central Propogandist Institute in the Districts and that training classes for Secretaries and Office Bearers are being held in many places.

10. *Working of Societies.*—The Apex Bank continued to make good progress. It moved into its own spacious building during the year. Its total turnover increased from about 58 lakhs to over 81½ lakhs and owing to the increased flow of deposits it had further to reduce its rate of interest. The Bangalore Central Co-operative Bank is now a purely urban bank dealing with individuals throughout the State and is busy winding up its accounts with the Societies. The Registrar should afford to it all reasonable help in recovering its longstanding dues from debtor Societies. There are as many as 71 such Societies owing about 3 lakhs of rupees and in the interests of both the Bank and the Societies it is essential that the accounts should be closed as early as possible.

11. With regard to the District Central Banks, Government in their last review had requested the Registrar to see what improvement whether in management or organisation, were necessary to make them fulfil their purpose better. He states that the only course for these institutions, if they are to be of any use in the Districts is to become local agents of the Apex Bank. He is requested to pursue the matter further and take necessary action.

12. One Federal Co-operative Banking Union was wound up during the year and action is being taken to close the remaining 9 also as they are not serving any useful purpose.

13. The Agricultural and Non-agricultural Societies continued to progress very much as usual, but suffered seriously as already indicated from the accumulation of the overdue loans. Government feel that so long as this condition is allowed to persist these Societies cannot be said to be in a healthy condition.

14. With regard to the Grain Banks, Government have received certain proposals from the Registrar as called for in the reviews of the last two years, for the amelioration of these useful institutions. These are under consideration.

15. Government are glad to note that some action has been taken to improve the condition of the Weavers by attempting to form a Co-operative Yarn Emporium. In last year's review, Government directed that special attention should be paid to the development of Sericultural Co-operative Societies and that the Registrar may in consultation with the Director of Industries and Commerce submit proposals for the staff which he thought necessary to advise these Societies in the technique of the industry and also the help which might be given to Artisan Societies. No proposals have so far been received. The Registrar is requested to report on these questions during the current year.

16. *Land Mortgage Banks.*—The preliminaries in connection with the opening of Land Mortgage Banks were completed during the year.

17. *Depressed Classes.*—Work for the improvement of these classes was continued with vigor during the year. Special Lecturers were appointed and Government also sanctioned loans on easy terms for financing the Agricultural and House-Building Societies of these Classes. Government are glad to learn that the successful working of the Gottigere Adikarnataka Colony scheme has created a desire among the Depressed Classes to form more such Colonies and that one has already been organised at Byrapur in the Channagiri Taluk. The working of these two Colonies should be carefully watched and attempts made gradually to start others.

18. *Disputes and Litigation.*—The number of suits entertained for adjudication during the year under review was 2,080 of the value of Rs. 3,27,548 as against 1,943 of the value of Rs. 2,64,047 last year. Including 692 suits pending from the last year the total number was 2,772, of which 2,032 were disposed of leaving a balance of 740.

19. The number of decrees pending execution at the end of the last year was 4,711 and the number sent during the year under review was 1,713. Of this total number of 6,424 decrees, 1,976 were executed leaving a balance of 4,448 at the close of the year. This is very poor progress in view of the fact that special Sheikdars have been appointed for the work. The report in this matter called for from the Registrar in the last year's review has not yet been received. He is requested to furnish early his views as to the causes of the slow progress and the remedies, if any, required to speed up the work.

20. *Audit and Inspection.*—The accounts of 1,214 Societies were fully audited by the Inspectors and those of 119 Societies were audited by certified Auditors and Accountants. The Inspectors also inspected the accounts of 1,765 Societies. As pointed out above, however, it is not sufficient if the work of inspection is left entirely to the Inspectors. The higher Officers should also exercise a certain amount of check over the work of their subordinates.

21. In this connection, the Registrar makes a suggestion for the introduction of a systematic course of training for Inspectors. He is requested to submit definite proposals in the matter for the consideration of Government.

22. *General.*—Government are glad to learn that the Mysore Co-operative Propagandist Institute did some substantial work during the year and enlarged its sphere of activities. Under its auspices, the Fifteenth Mysore Provincial Co-operative Conference was held in October 1928 under the Presidency of Rajamantrapravina Mr. K. Matthan, Member of Council, and opened by Amin-ul-Mulk Sir Mirza M. Ismail, C.I.E., O.B.E., KT., Dewan of Mysore. In addition, several District and Taluk Conferences were also held during the year. The report indicates that the Department has enlisted and is receiving very cordial co-operation from other Development Departments and the growth of Agricultural co-operation is an instance of the valuable results of such team work. The Registrar makes grateful mention of the support and co-operation he has received from the public and this is a source of special gratification to Government as the appreciation of the people is not only a proof that the work is proceeding on right lines, but also holds out the promise of rapid progress in future.

23. Government also note with pleasure and interest that many Societies took part in civic and social activities by providing free reading rooms and allotting a portion of their profits for charitable and other beneficial purposes. This is, as it should be, since social amelioration goes hand in hand with co-operation and it is hoped that these measures of constructive work will receive more and more attention in future.

24. The work of the Department during the year under review was on the whole satisfactory and Government wish to convey their appreciation to Mr. K. H. Ramayya and his staff. Though the percentage of the population touched by the movement has risen from 8·9 to 9·9, there is much propaganda work yet to be done, particularly in parts of the Kolar and the Chitaldrug Districts where the benefits of the movement have yet to be properly appreciated. The thanks of Government are also due to the several officials and non-officials who have whole-heartedly co-operated with the Department.

N. RAMA RAO,
Secretary to Government,
Development Departments.

GENERAL SECRETARIAT.

Review on the Administration Report of the Forest Department.

READ—

Report on the Administration of the Forest Department for the year 1928-29, submitted by the Chief Conservator of Forests in Mysore, with his letter No. Pr. 36-29, dated the 21st October 1929.

ORDER NO. G. 11232-54—FT. 214-29-4, DATED 15TH MARCH 1930.

Recorded.

2. *Contents of Report.*—The Chief Conservator's attention is invited to the observations in the Government review on the previous year's report in regard to the reduction of the volume of annual reports. The size of the report is capable of further reduction on the lines indicated in the said review.